

GINGRICH-LITE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, the President's revelation of his new budget last night was actually quite remarkable. Fiscal responsibility has finally penetrated inside the Washington, DC, Beltway. That is, Washington, DC, has finally, the policymakers are now all in agreement that the massive debt which will exceed \$5 trillion in the near future, about \$17,000 for each and every living American citizen from the tiniest baby to the oldest senior citizen, is a real problem and it must be dealt with. And we have to move toward fiscal responsibility. That is the good news.

Apparently, the President was very much affected by his joint appearance with Speaker GINGRICH in New Hampshire last weekend, because his proposed budget is Gingrich-Lite, that is, it has the same priorities, the same misplaced priorities as the budget passed in this House 2 months ago, a budget written essentially by Speaker GINGRICH and other senior Republicans. The President has adopted those same priorities, the same mistakes and the same peril to average Americans that is inherent in that budget.

They both start out balancing the budget by cutting taxes. Does that make sense? If you are in the hole, is the first thing you do to cut your income? No, I do not think so. But that is what the Republican budget, \$350 billion slanted heavily toward people earning over \$100,000 a year and the largest, most profitable corporations, that is the Republican budget.

Now, the President, certainly, it is better. It is only \$93 billion in tax cuts, and it is a little more targeted, certainly, to middle-income people. But still it is giving away revenue when you are in the hole. This is not a time for tax cuts, if we are serious about balancing the budget.

Now we get to Medicare. The Gingrich Republican budget slashed Medicare by \$288 billion. They said, there are problems with Medicare; we have got to fix it. Of course, they do not tell us what the fix is. They just tell us exactly how much we have to reduce benefits in order to fix it, and we will figure out later what it is we are doing.

It is a little bit like burning down the village to save it, as we did in Vietnam a couple of decades ago.

Now, the President, of course, is only going to reduce Medicare by \$125 billion, Gingrich-Lite. But it still is a reduction without a clear plan to deal with the problems of Medicare. Veterans? Gingrich, \$9 billion; Gingrich-Lite, the Clinton budget, \$6 billion.

Corporate agriculture, subsidies for large profitable corporate agriculture undertakings, like Sam Donaldson, a famous commentator, he gets \$75,000 a year not to grow sheep on a ranch he does not live on. Is that essential?

Well, apparently it is because there are small cuts in the Republican budget, even tinier cuts in Gingrich-Lite, the President's budget.

Corporate welfare? They are about the same there, tiny, tiny cuts, an estimated \$40 to \$50 billion that could easily be recaptured from the largest, most profitable corporations in the world, many of them foreign corporations who operate in this country without paying a cent in taxes except for the FICA taxes on their employees. They move their profits offshore, and they take the money to the bank.

The military? We just went through the Department of Defense markup here. We are looking at a massive increase in buildup in the military, a massive increase in buildup in star wars, 10 more B-2 bombers at \$1.5 billion each, more than the Pentagon itself requested. They said, Do not buy more B-2 bombers. Transport planes, the Pentagon did not ask for, submarines that the Pentagon did not ask for, an increase, the President asked for an increase in the military of \$25 billion over the next 7 years. And the Republican budget, \$68 billion on top of the President's \$25 billion.

Foreign aid, neither of them want to touch foreign aid. That is a little bit too hot of a political potato, even with the new fiscal realities of Washington, DC.

There is a better way to get a balanced budget, a much better way. We can do it without touching Medicare. We can do it without slashing veterans' benefits, but we have to go after corporate agriculture big time, like \$50 billion cuts in their subsidies. We are going to have to go after corporate welfare and the large, most powerful multinational corporations that do not pay a penny of taxes in this country, we are going to have to ask them to pay their fair share.

Takes a little bit of will and guts, probably cuts big into the contributions of both a lot of Democrats and Republicans. But if we do not do that, then we are going to gut programs that are important to Americans instead of going after fairness and equity and a balanced budget that meets the priorities and needs of this country.

THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 60 minutes as the designee of the majority leader.

Mr. SCARBOROUGH. Mr. Speaker, I would like, as one Republican, to welcome the President of the United States finally to the great debate on how we balance this country's budget, how we make Congress and the Federal Government do what middle class Americans have had to do for over 200 years, and that is spend only as much money as they take in.

I have got to tell you, I believe that this \$4.9 trillion debt is one of the great issues of our time. It is not just what I believe, it is what Republicans and even Democrats, grudgingly, alike have to believe. Because we can talk about every single issue we want to talk about: talk about education, talk about military issues, talk about the environment, talk about the infrastructure, talk about health care, talk about crime control. All of these issues are important. But if we are spending more money on servicing the interest on our huge \$4.9 trillion debt than we are spending on any of these programs, then there obviously is a problem.

About 50 percent of every man and woman's income tax is spent on servicing the debt. In a few years we are going to be spending more money on servicing the national debt's interest than we spent today on our defense bill.

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What does that mean? We are burning money. We are throwing away more money on interest on this national credit card than we are protecting our children and protecting our shores. Again, it is time that the President comes to the table and says "Okay, I am going to step forward with a plan to balance the budget." We certainly welcome him.

The last speaker on the floor began his speech by saying "Fiscal sanity has finally penetrated the Beltway. The President has now come to the table with a balanced budget plan." The fact of the matter is fiscal sanity penetrated not only the Beltway but this entire country on the evening of November 8, 1994, when the Republican Party was swept into power on both sides of Congress, where not a single Republican incumbent Governor, Congressman, or Senator from Alaska to Florida got voted out, and where Americans stood up and said "Enough is enough. We have been writing bad checks for 40 years. It is time for us to step forward and balance the budget." We got that message, came to Washington, tried to make a difference.

The President now claims to have also gotten that message, but I have to tell the Members, it is kind of hard to figure out where he is on this issue and other issues at times. Let us follow his policy over the past few months. He stated out by opposing the balanced budget amendment. He worked overtime to kill the constitutional amendment that would make Congress abide by the same laws, and make Congress abide by the same fiscal restraint that middle class Americans have had to abide by for over 200 years.

He said we did not need a balanced budget amendment, that we could do it on our own, we just needed a little bit of discipline. He succeeded in killing the balanced budget amendment, which over 70 percent of Americans supported. What was his next step? After he killed the bill and said we could do

it on our own, he then stepped forward and said "I changed my mind. This country really does not need a balanced budget right now. It would be too harmful."

Then we went to New Hampshire in May, and he said he would balance the budget; that he would step forward with a plan to balance the budget, that it was important. Then he came back from New Hampshire later on in May and said no, he changed his mind, he really did not need to balance the budget right now. Then he went back up to New Hampshire. When he came back again from New Hampshire this week, he changed his mind again and said "Yes, we are going to balance this budget."

I have to tell you, his budget policy is as confusing as his policy on Bosnia and other issues. In fact, the ranking member of the Committee on Appropriations, a Democrat from Wisconsin, said today in the Washington Post "If you do not like the President's position on a certain issue, just be patient, wait a few weeks, and watch. It will be sure to change." I am here today to tell the Members that I certainly hope the President does not lose his attention span on this issue, that he sticks with it long enough to sit down at the table with Congressmen and Senators and Americans alike, and figure out a way to balance our budget. We have to do it.

Mr. Speaker, I have two boys, one 7-years-old and the other 4-years-old. Both of my boys have about an \$18,000 debt on their heads already, as do all Americans, because of the \$4.9 trillion debt this country is carrying. It is time for leadership from Washington. It is time for leadership from the White House. It is time for leadership from Congress, from the House and Senate. I certainly hope the President will sit down and debate these issues in the coming months, and let us put demagoguery behind us, and let us do what is best for the American people.

That being said, I welcome him to the table, but at the same time, I have some real concerns about some of his proposals. The first concern that I have concerns senior citizens. The President of the United States several months ago got a report back from trustees that studied the issue of Medicare and Medicaid. It is a dirty little secret in Washington, DC that Medicare and Medicaid is going bankrupt. The President got a commission working on it. The trustees came back and told him "Mr. President, if we do not do something about Medicare and Medicaid, it is going to go bankrupt in the year 2002."

Think about that. "We will have no more money for Medicare and Medicaid. We will not be able to take care of our senior citizens. We will break the sacred contract between generations that we made with our senior citizens, if you do not do something to reform Medicare and Medicaid."

What did we do? Congress stepped forward and passed a budget resolution that balances the budget in 7 years, and more importantly, saves the Medicare and Medicaid systems, makes them solvent. They do not go bankrupt by the year 2002. We stood up and said to the trustees "We hear you, we understand your concerns. We cannot allow senior citizens to go unprotected. We cannot allow the poor to go unprotected. We cannot allow them to be harmed. We are going to step forward with a balanced budget amendment that makes Medicare and Medicaid solvent beyond the year 2002, and far beyond into the future." We did that.

The President of the United States attacked us, attacked us because, quite frankly, we were following the recommendations of his own trustees: "save the system." Then he came out with his budget. Did his budget follow the advice of the trustees? Did his budget make Medicare and Medicaid solvent? No. It still goes bankrupt. Think about that.

I cannot, for the life of me, imagine running a business, and let us talk about running government like we run business, I cannot for the life of me think about running a business, bringing in my top advisers and saying to them "You guys go out, you women go out and tell me about the health of our business, of our company, tell us what we need to do to make sure that we are just as strong 10 years from now as we are today," and you send them out, you give them money, you give them resources, you give them time, and they come back to you and they say "If we do not make these changes, this company is going under by the year 2002, in 7 years."

If somebody came back to me and told me that, I would sit down, take a long, hard look at it, and then I would act on it. That is something we have done as a Congress when we passed the budget resolution. Unfortunately, the President is not willing to make those same steps. For the sake of our senior citizens, for the sake of our poor who depend on these programs, I ask the President of the United States to step forward and show some real courage and show some real leadership, dare to make a difference, dare to enter into the arena that Teddy Roosevelt talked about, and allow himself to be bloodied, if that is what it takes; expend a few cents of political capital to help our senior citizens and to help our poor. He has not done it yet, but I think there is hope. He has come forward with a balanced budget proposal, so let us see what happens.

A second concern with the President's budget is the fact that he says "We can balance the budget in 10 years." Let me tell the Members something, when we talk about a dirty little secret, the dirtiest secret in Washington, D.C. is what we do in the out years when it comes to balancing the budget. Congress says "We are going to balance the budget in 10 years." Then a new

Congress gets elected a few years down the road, they get a little antsy and say "We do not want to make these cuts, so we are going to push these cuts off 5, 10 more years." After a while it does not get balanced in 10 years, it does not get balanced in 20 years, it does not get balanced in 40 years, which has happened in Washington, DC.

It is just like his 1993 plan to reduce the deficit. He had massive tax increases and marginal cuts. The tax increases, not only did they apply the very next year, he applied the tax increases retroactively, so he got you coming and he got you going.

What did he do on the spending cuts? Those spending cuts were pushed 7 years out, pushed to the end of the plan, because he knew, and cynical politicians around Washington, DC have known for a long time, that if we push the cuts far enough out in the future, that new politicians will come to Congress, and when they come to Congress, we will not have to make those tough cuts. That is the problem with saying we are going to balance the budget in 10 years. We need to do it now. We cannot go beyond 7 years. We need to balance the budget now.

I certainly hope the President will shorten his timeframe.

Third, and I think most importantly, Mr. Speaker, for our children in this country, I have great concerns about what the President of the United States said about education and education funding. As I said before, I have two boys. My 7-year-old is in the public school system in Florida. My 4-year-old will enter into the public school system next year, so I have a personal stake in the health and well-being of our Nation's schools.

In fact, if our children are going to enter the 21st Century workplace and be able to compete with Japan and with Germany and other countries that are in the G-7 that the President is speaking with today, we are going to have to do better. We are Americans. We can do better, but we are going to have to make sure and not in Washington, D.C. We are going to have to make sure that funding for your children's education is made in your home town, and not in Washington, D.C. We are going to have to make sure that funding for your grandchildren's education is made in your home town, and not behind some bureaucrat's walls in Washington, D.C.

When the President of the United States says "We have to increase spending on the Federal level," all I can do is sadly shake my head, because I know the history of our horrible experiment with the Federal Department of Education. I understand that it started out as a back room deal between Jimmy Carter and the NEA's teacher's union.

I understand that when it was set up, this education bureaucracy was set up in 1980, that we were spending \$14 billion a year on our national education

bureaucracy. Today, that number has exploded up to \$33 billion. Let us make no mistake of it, I have children. I understand the importance of education. It is at the top of my list on issues that are important in this country. However, sending \$33 billion to Washington, D.C. for an education bureaucracy that has failed over the past 15 years simply is not the answer.

Look what has happened since 1980, since we went from spending \$14 billion on this new agency to \$33 billion in 1995. Test scores for reading and writing have plummeted, while funding has shot up for this bureaucracy. Test scores for arithmetic and science have stagnated, while funding for this Federal bureaucracy has skyrocketed. We are not getting the best bang for our buck.

When the President of the United States says to us that he needs more money for education, he is actually saying he needs more money for his Washington, D.C. education bureaucracy. Do not take my word for it. I ask you to take that education bureaucracy's word for it, and read their budget.

What would you think if you knew that the Department of Education was cutting \$100 million from schools' infrastructure programs across the country, \$100 million this year? They say they do not have the money, they do not have the money to keep your children's schools safe, they do not have the money to upgrade school systems, to make sure that children can go to school in safe schools. They say "We are too financially constrained right now. We are going to have to cut \$100 million from the program to keep schools safe."

Then they turn around in that very same budget and say "We are going to increase spending by \$20 million for our own education bureaucracy, which sits a few blocks down from Capitol Hill in Washington, D.C."

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Think about that. They are not robbing Peter to pay Paul. They are stealing from our schools in our hometown, to pour more money into their education bureaucracy building down the street.

Does that make sense? When the President says he needs more money for education and that is how education is defined in Washington DC, does that make sense? When your education dollars and my education dollars are not getting back to our children and to our teachers and to our principals and to our school boards and to our communities and to our hometowns and to our States but instead are strangled in the bureaucracy of Washington, DC, does that make sense? Is that the type of education policy we need to move into the 21st century, to help us compete in the 21st century workplace?

I do not think so. I know you do not think so. I certainly know that our Founding Fathers did not think so.

I carry with me a copy of the Constitution of the United States. If you want to know what our Founding Fathers thought about education, all you need to do is read the Constitution of the United States and specifically read the 10th amendment.

In the 10th amendment, it states all powers not specifically given to the Federal Government through the Constitution are reserved to the States and to the citizens.

What does that mean? It means if it does not say it in the Constitution, that this body, that this Congress, is not permitted to spend money on it, is not permitted to interfere in it, is not permitted to interfere in the education of citizens' children. That is why for almost 200 years we got by fine without a free-standing Department of Education bureaucracy. That is why we have gone from spending \$14 billion to \$33 billion and actually seen a decline in our educational standards, have seen drops in our test scores, have seen an increase in violence in schools, and have seen an increase in dropout rates when you start measuring those dropout rates with 8th grade students.

Mr. Speaker, we can do better, and we will. We are going to start doing better in the coming weeks as we introduce a bill to Congress that is called the Back to Basics Education Reform Act of 1995. Is that not really what it is all about, getting back to basics, moving away from the social engineering that we have been trying to accomplish and that we have failed on for the past 30 years? Would it not be great to get back to reading and writing and arithmetic and the basics?

Most importantly, would it not be great to once again allow parents and allow communities and allow hometowns to decide how to educate their children instead of having bureaucrats in Washington, DC decide without their input?

James Madison wrote over 200 years ago as he was framing the Constitution, "We have staked the entire future of the American civilization not upon the power of government but upon the capacity of each of us to govern ourselves, control ourselves and sustain ourselves according to the 10 Commandments of God."

It was Thomas Jefferson who said that the government that governs least governs best. Why did Jefferson say that? Did Jefferson say it because he was anti-government? No. Jefferson said it because he was pro-freedom, because he was pro-individual, because he was pro-States rights, because he believed, and James Madison believed, and our Founding Fathers believed, that when you allowed individuals and communities and States to experiment with education reform in the free marketplace of ideas that only the strong ideas would survive, that we did not need big brother and big sister telling us from Washington, DC, "This is the only way you can educate your children." It is time to move away from

that failed vision. We have tried it for over a generation now and we are getting nowhere with it. We need to move beyond and dare to experiment, to dare to give power back to the States and to the citizens where it belongs.

Mr. Speaker, I believe, like many Americans believe, that we can have 50 State legislatures and Governors experimenting with education reform and we will have 50 legislative laboratories where only the strong ideas survive instead of being dictated from Washington, DC by a bureaucracy that says, "This is how you do it and if you don't do it this way, we're not going to send money back to your school communities."

"Oh, I understand we ripped money out of your communities, we took away education funding from your community and brought it up to Washington, DC, but we ain't giving it back unless you do A, B and C."

Let me tell you something, there is a new way to do things, and that is to do it the old way, the way that Thomas Jefferson and James Madison and our Founding Fathers intended. With the Back to Basics Education Reform Act, we are going to start down that path.

I ask you, when the President of the United States pleads for more education dollars, remember, he is not talking about education dollars for children, he is talking about education dollars for bureaucrats. We can do better and we will, and we must if we are going to compete in the 21st century.

SALUTE TO RICHARD E. FLUGE, PRESIDENT, MONTGOMERY COUNTY BOARD OF COMMISSIONERS

The SPEAKER pro tempore (Mr. HAYWORTH). Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. I rise, Mr. Speaker, to salute Richard E. Fluge, president of the Abington Township, Montgomery County Board of Commissioners who died suddenly this morning. It is a great loss for our country, because local government leaders like Richard Fluge are closest to the people, they see the problems first and they solve them best.

Mr. Fluge was one of the most inspirational local government leaders in the United States. He championed for many of the items that were passed in the contract:

The unfunded mandates. As president of the Board of Commissioners in Abington Township, Montgomery County, he knew how harsh the unfunded mandates were and the fact is that through his leadership, we no longer have Federal initiatives without money being sent from Washington.

He also championed for a balanced budget. Every other government, school, township, and States have to balance their budgets and now as a result of the House's action and hopefully we will have the Senate action as